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DEPARTMENT OF COMMERCE

International Trade Administration

A-570-943

Certain Oil Country Tubular Goods from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2010 - 2011

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: On June 8, 2012, the Department of (“the Department”) published its preliminary results of the antidumping duty administrative review of the antidumping duty order on oil country tubular goods (“OCTG”) from the People's Republic of China (“PRC”).¹ The period of review (“POR”) is May 19, 2010, through April 30, 2011.² The Department determined that Jiangsu Chengde Steel Tube Share Co., Ltd. (“Jiangsu Chengde”), Taizhou Chengde Steel Tube Co., Ltd. (“Taizhou Chengde”), and Yangzhou Chengde Steel Tube Co., Ltd. (“Yangzhou Chengde”) (collectively “the Chengde Group”)³ made sales of subject merchandise in the United States at prices below normal value (“NV”) during the POR. We invited interested parties to comment on our preliminary results. Based on our analysis of the comments received, we made changes to our margin calculations for the Chengde Group. The final weighted-average dumping margins for this review are listed in the “Final Results Margins” section below.

EFFECTIVE DATE: (insert date of publication in the *Federal Register*).

¹ See *Certain Oil Country Tubular Goods From the People's Republic of China: Preliminary Results of the First Antidumping Duty Administrative Review, Rescission in Part and Intent To Rescind in Part*, 77 FR 34013 (June 8, 2012) (“OCTG Prelim”)

² See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review*, 76 FR 24460 (May 2, 2011).

³ See *OCTG Prelim*, 77 FR at 34015 (June 8, 2012) (where we collapsed these companies into a single entity). No party commented on this determination in the case or rebuttal briefs.

FOR FURTHER INFORMATION CONTACT: Paul Stolz or Eugene Degnan, AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4474 and (202) 482-0414, respectively.

Background

On June 8, 2012, the Department published its preliminary results in the antidumping duty administrative review of OCTG from the PRC.⁴ On September 12, 2012, the Department released draft liquidation and cash deposit customs instructions to interested parties inviting comments by September 17, 2012, and rebuttal comments by September 20, 2012. American Tubular Products, LLC (“ATP”) submitted comments on September 17, 2012 and U.S. Steel Corporation (“U.S. Steel”) submitted rebuttal comments on September 20, 2012.

Also on September 20, 2012, the Department extended the deadline for the final results of review to December 5, 2012.⁵ In addition, as explained in the memorandum from the Assistant Secretary for Import Administration, the Department has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from October 29, through October 30, 2012. Thus, all deadlines in this segment of the proceeding have been extended by two days. The revised deadline for the final results of this review is now Friday, December 7, 2012.⁶

Analysis of Comments Received

All issues raised in the case and rebuttal briefs filed by parties in this review are addressed in the Memorandum from Christian Marsh, Deputy Assistant Secretary for

⁴ See *OCTG Prelim*.

⁵ See Memorandum “Certain Oil Country Tubular Goods from the People’s Republic of China: Extension of Deadline for Final Results of Antidumping Duty Administrative Review” dated September 20, 2012.

⁶ See Memorandum to the Record from Paul Piquado, AS for Import Administration, regarding “Tolling of Administrative Deadlines As a Result of the Government Closure During the Recent Hurricane,” dated October 31, 2012.

Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Import Administration, “Oil Country Tubular Goods from the People’s Republic of China: Issues and Decision Memorandum for the Final Results of the First Administrative Review (“Issues and Decision Memorandum”),” dated concurrently with, and hereby adopted by, this notice. A list of the issues that parties raised and to which the Department responded in the Issues and Decision Memorandum follows as an appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Import Administration’s Antidumping and Countervailing Duty Centralized Electronic Service System (“IA ACCESS”). IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and is available to all parties in the Central Records Unit (“CRU”), room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the internet at <http://www.trade.gov/ia/>. The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

Period of Review

The POR is May 19, 2010, through April 30, 2011.

Scope of the Order

The merchandise covered by the order consists of certain OCTG. The merchandise covered by the order is currently classified in the Harmonized Tariff Schedule of the United States (“HTSUS”) under item numbers: 7304.29.10.10, 7304.29.10.20, 7304.29.10.30, 7304.29.10.40, 7304.29.10.50, 7304.29.10.60, 7304.29.10.80, 7304.29.20.10, 7304.29.20.20, 7304.29.20.30, 7304.29.20.40, 7304.29.20.50, 7304.29.20.60, 7304.29.20.80, 7304.29.31.10, 7304.29.31.20, 7304.29.31.30, 7304.29.31.40, 7304.29.31.50, 7304.29.31.60, 7304.29.31.80,

7304.29.41.10, 7304.29.41.20, 7304.29.41.30, 7304.29.41.40, 7304.29.41.50, 7304.29.41.60, 7304.29.41.80, 7304.29.50.15, 7304.29.50.30, 7304.29.50.45, 7304.29.50.60, 7304.29.50.75, 7304.29.61.15, 7304.29.61.30, 7304.29.61.45, 7304.29.61.60, 7304.29.61.75, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.29.10.30, 7306.29.10.90, 7306.29.20.00, 7306.29.31.00, 7306.29.41.00, 7306.29.60.10, 7306.29.60.50, 7306.29.81.10, and 7306.29.81.50.

The OCTG coupling stock covered by the order may also enter under the following HTSUS item numbers: 7304.39.00.24, 7304.39.00.28, 7304.39.00.32, 7304.39.00.36, 7304.39.00.40, 7304.39.00.44, 7304.39.00.48, 7304.39.00.52, 7304.39.00.56, 7304.39.00.62, 7304.39.00.68, 7304.39.00.72, 7304.39.00.76, 7304.39.00.80, 7304.59.60.00, 7304.59.80.15, 7304.59.80.20, 7304.59.80.25, 7304.59.80.30, 7304.59.80.35, 7304.59.80.40, 7304.59.80.45, 7304.59.80.50, 7304.59.80.55, 7304.59.80.60, 7304.59.80.65, 7304.59.80.70, and 7304.59.80.80. Although the HTSUS subheadings are provided for convenience and customs purposes only, the written product description, available in *Certain Oil Country Tubular Goods From the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order*, 75 FR 28551 (May 21, 2010), remains dispositive.

Rescission of Review in Part

Pursuant to 19 CFR 351.213(d)(1), the Secretary will rescind an administrative review, in whole or in part, if a party that requested the review withdraws the request within 90 days of the date of publication of the initiation notice of the requested review. For 52 of the 53 companies for which the Department initiated an administrative review, U.S. Steel was the only party that requested the review. On September 23, 2011, U.S. Steel timely withdrew its review requests for all 52 companies for which U.S. Steel was the only party that had requested an administrative review.

Therefor, in *OCTG Prelim*, the Department rescinded this review in accordance with 19 CFR 351.213(d)(1) for those companies named in the *Initiation Notice* for this administrative review that received separate rate status in the *Final Determination*, other than Jiangsu Chengde, which requested a review of itself. ⁷

For the final results, the Department is rescinding the review with respect to companies on which this review was initiated but had not received a separate rate in the *Final Determination*. As described above, U.S. Steel withdrew its review request covering these companies. The Department did not rescind this review at the time of the preliminary results for those companies that had not established their eligibility for a separate rate in the *Final Determination* and were considered part of the PRC-wide entity which could potentially be under review for the final results of this administrative review.⁸ The PRC-wide entity did not come under review for these final results. Therefore, the Department is rescinding this review with respect to these companies in the final results.⁹

Changes Since the Preliminary Results

Based on an analysis of the comments received, the Department has made the following changes in the margin calculation.

- The Department is valuing steel billets using SVs for both alloy and nonalloy steel.¹⁰
- The Department is valuing thread protectors as a material input only.¹¹

Final Results Margin

The Department determined the weighted-average dumping margins for the period May 19, 2010, through April 30, 2011, to be:

⁷ See Appendix II for a list of these companies.

⁸ See *OCTG Prelim*, 77 FR at 34014-15.

⁹ See Appendix III for a list of these companies.

¹⁰ See Comment 1 of the accompanying Issues and Decision Memorandum.

¹¹ See Comment 7 of the accompanying Issues and Decision Memorandum.

Exporter	Weighted-Average Dumping Margin (percentage)
Jiangsu Chengde, Yangzhou Chengde, Taizhou Chengde (collectively, The Chengde Group)	172.54

Assessment Rates

Upon issuance of the final results, the Department will determine, and U.S. Customs and Border Protection (“CBP”) shall assess, antidumping duties on all appropriate entries covered by this review. The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review. For any individually examined respondents whose weighted-average dumping margin is above *de minimis*, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the importer’s examined sales to the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1).¹² We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review when the importer-specific assessment rate calculated in the final results of this review is above *de minimis* (*i.e.*, 0.50 percent). Where either the respondent’s weighted-average dumping margin is zero or *de minimis*, or an importer-specific assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by

¹² In these final results, the Department applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012).

section 751(a)(2)(C) of the Tariff Act of 1930, as amended (the “Act”): (1) for the exporters listed above, the cash deposit rate will be the rate established in the final results of this review (except, if the rate is zero or *de minimis*, i.e., less than 0.5 percent, a zero cash deposit rate will be required for that company); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide rate of 99.14 percent;¹³ and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter(s) that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary’s presumption that reimbursement of the antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

This notice also serves as a reminder to parties subject to administrative protective orders (“APOs”) of their responsibility concerning the return or destruction of proprietary information disclosed under the APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification

¹³ For an explanation on the derivation of the PRC-wide rate, see *Notice of Final Determination of Sales at Less Than Fair Value: Chlorinated Isocyanurates From the People’s Republic of China*, 70 FR 24502, 24505 (May 10, 2005).

of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

Disclosure

The Department will disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

The Department is issuing and publishing the final results and notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Paul Piquado
Assistant Secretary
for Import Administration

December 5, 2012
Date

Appendix I

Issues for the Final Results

- Comment 1: Valuation of Steel Billets
- Comment 2: Whether to Grant Chengde a By-product Offset
- Comment 3: Valuation of Brokerage and Handling
- Comment 4: Surrogate Financial Ratios
- Comment 5: Assessment
- Comment 6: Valuation of Labor
- Comment 7: Double Counting of Thread Protectors
- Comment 8: Valuation of Ocean Freight
- Comment 9: Valuation of Inland Freight

Appendix II

Companies with Separate Rates from the *Final Determination* for which the Review Request was Withdrawn:

1. Anhui Tianda Oil Pipe Co., Ltd.
2. Benxi Northern Steel Pipes Co., Ltd.
3. Faray Petroleum Steel Pipe Co., Ltd.
4. Freet Petroleum Equipment Co., Ltd. of Shengli Oil Field, The Thermal Recovery Equipment, Zibo Branch
5. Hengyang Steel Tube Group Int'l Trading Inc
6. Jiangyin City Changjiang Steel Pipe Co., Ltd.
7. Shandong Dongbao Steel Pipe Co., Ltd.
8. Shandong Molong Petroleum Machinery Co., Ltd.
9. Shengli Oil Field Freet Petroleum Equipment Co., Ltd.
10. Shengli Oil Field Freet Petroleum Steel Pipe Co., Ltd.
11. Shengli Oil Field Highland Petroleum Equipment Co., Ltd.
12. Tianjin Pipe International Economic & Trading Corp.
13. Tianjin Tiangang Special Petroleum Pipe Manufacturer Co., Ltd.
14. Wuxi Baoda Petroleum Special Pipe Manufacture Co., Ltd.
15. Wuxi Seamless Oil Pipe Co., Ltd.
16. Wuxi Zhenda Special Steel Tube Manufacturing Co., Ltd.
17. Xigang Seamless Steel Tube Co., Ltd. and
18. Yangzhou Lontrin Steel Tube Co., Ltd.

Appendix III

Companies without Separate Rates from the *Final Determination* for which the Review Request was Withdrawn:

1. Baoshan Iron & Steel Co., Inc.
2. Baosteel Group
3. Cangzhou Huaye Metal Products Co., Ltd.
4. Cangzhou Qiancheng Steel Pipe Co.
5. Freet Petroleum Equipment Group Co., Ltd.
6. Guangzhou Juyi Steel Pipes Co., Ltd.
7. Hebei Machinery Import & Export Co., Ltd.
8. Hebei Zhongyuan Steel Pipe Manufacturing Co., Ltd.
9. Hefei Zijin Steel Tube Manufacturing Co., Ltd.
10. Hengyang Valin MPM Tube Co., Ltd.
11. Hengyang Valin Steel Tube Co., Ltd.
12. Huai'an Zhenda Steel Tube Manufacturing Co., Ltd.
13. Huludao Steel Pipe Industrial Co., Ltd.
14. Huludao City Steel Pipe Industrial Co., Ltd.
15. Jiangsu Changbao Precision Tube Co., Ltd.
16. Jiangsu Changbao Steel Tube Co., Ltd.
17. Jiangsu Yulong Steel Pipe Co., Ltd.
18. Jiangyin Chuangzin Oil Pipe
19. Jiangyin City Seamless Steel Tube Factory
20. Jinan Meide Casting Co., Ltd.
21. Northern Tool Equipment Co., Ltd.
22. Shandong Molong Group Co.
23. Shengli Oil Field Freet Import & Export Co., Ltd.
24. Thermal Recovery Equipment Manufacturer of Shengli Oil Field Freet Petroleum Equipment Co. Ltd.,
25. Tianjin Pipe Group Co., Ltd.
26. Tianjin Shuangjie Pipe Manufacturing Co., Ltd.
27. Wuxi Fastube Industry Co.
28. Wuxi Huayou Special Steel Co., Ltd.
29. Wuxi Seamless Special Pipe Co., Ltd.
30. Xi'an Meixinte Industrial & Trading Co., Ltd.
31. Yantai Yuanhua Steel Tubes Co., Ltd.
32. ZhangJiaGang ZhongYuan Pipe-Making Co.
33. Zhejiang Jianli Enterprise Co., Ltd.